

Kenneth A. Hill  
Quilling, Selander, Lownds,  
Winslett & Moser, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201  
(214) 871-2100 (Telephone)  
(214) 871-2111 (Facsimile)  
ATTORNEYS FOR THE TRUSTEE

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION

IN RE:	§	
	§	
LATITUDE SOLUTIONS, INC.,	§	CASE NO. 12-46295-rfn-11
	§	
DEBTOR.	§	

**MOTION TO SET BAR DATE FOR SHAREHOLDER HOLDING CLAIMS**

**NOTICE**

**NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT ELDON B. MAHON U.S. COURTHOUSE, 501 W. TENTH STREET, FORT WORTH, TX 76102-3643 BEFORE THE CLOSE OF BUSINESS ON JANUARY 23, 2017, WHICH IS AT LEAST 24 DAYS FROM THE DATE OF SERVICE HEREOF.**

**ANY RESPONSE MUST BE IN WRITING AND FILED WITH THE CLERK, AND A COPY MUST BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED, A HEARING WILL BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.**

**IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.**

TO THE HONORABLE RUSSELL F. NELMS, UNITED STATES BANKRUPTCY JUDGE:

Carey Ebert (the "Trustee"), in her capacity as the chapter 11 trustee for Latitude Solutions, Inc. (the "Debtor"), files this Motion to Set Bar Date for Shareholder Holding Claims (the "Motion"), and in support thereof would respectfully show unto this Court as follows:

## **I. BACKGROUND**

1. On November 9, 2012, the Debtor filed a voluntary petition in this Court for relief under chapter 7 of the United States Bankruptcy Code. The Trustee was appointed the chapter 7 trustee. On April 5, 2013, this Court entered an order converting the case to chapter 11. The Trustee was appointed the chapter 11 trustee, and she continues to serve in that capacity.

2. The Debtor was a publicly traded corporation. Prior to the bankruptcy filing, the Debtor designed, manufactured, and leased industrial water remediation units.

3. After the bankruptcy filing, on November 9, 2014, the Trustee filed Adv. No. 14-04107-rfn in this Court against a number of the Debtor's former insiders and persons and entities related to former insiders. The district court withdrew the reference for that case, and it is now pending before the Honorable Reed C. O'Connor in Civ. Action No. 4:15-cv-00225-O (the "Lawsuit"). In the Lawsuit, the Trustee asserts claims for damages for misrepresentations by the defendants that induced shareholders not to sell their shares when they otherwise would, resulting in shareholder losses when the value of the Debtor's stock subsequently dropped (the "Shareholder Holding Claims").

4. Setting a deadline for Shareholder Holding Claims will facilitate the prompt, efficient, and orderly administration of this bankruptcy estate and facilitate the efficient evaluation and prosecution of the Lawsuit.

## **II. RELIEF REQUESTED**

5. The Trustee requests an Order from this Court setting a bar date for filing Shareholder Holding Claims (the "Shareholder Holding Claim Bar Date") to be twenty-four (24) days after the date the Trustee serves notice of the Shareholder Holding Claim Bar Date on the

List of Shareholders filed in this case on April 16, 2013. The Trustee does not request a bar date for all shareholder claims at this time.

6. The Trustee makes this request in accordance with Fed. R. Bankr. P. 3003(c)(3) and 11 U.S.C. §§ 105 and 501(a). Absent further order of this Court, persons and entities holding Shareholder Holding Claims that are not filed on or before the Shareholder Holding Claim Bar Date should be precluded from (a) asserting any claims against the Debtor's bankruptcy estate founded on a Shareholder Holding Claim and (b) receiving distributions from the estate on account of any Shareholder Holding Claim.

7. Establishing a bar date of twenty-four (24) days after the Trustee serves notice of the Shareholder Holding Claim Bar Date will provide parties in interest with ample time by which to prepare and to file appropriate claims with this Court. Such parties will have the full twenty-one days' notice required by Fed. R. Bankr. P. 2002(a)(7) plus three additional days to account for service of the notice by mail as required by Fed. R. Bankr. P. 9006(f).

### **III. CONCLUSION**

WHEREFORE, PREMISES CONSIDERED, the Trustee respectfully requests that this Court enter an order (a) establishing a Shareholder Holding Claim Bar Date to be twenty-four (24) days after the date the Trustee serves notice of the Shareholder Holding Claim Bar Date on the List of Shareholders filed in this case on April 16, 2013 and (b) granting the Trustee such other and further relief, at law or in equity, to which she may be justly entitled.

Respectfully submitted,

QUILLING, SELANDER, LOWNDS,  
WINSLETT & MOSER, P.C.

2001 Bryan Street, Suite 1800

Dallas, Texas 75201

(214) 871-2100 (Telephone)

(214) 871-2111 (Facsimile)

By: /s/ Kenneth A. Hill

Kenneth A. Hill

State Bar No. 09646950

ATTORNEYS FOR THE TRUSTEE

**CERTIFICATE OF SERVICE**

I hereby certify that, in accordance with this Court's Order Establishing Procedures to Limit Notice, a true and correct copy of the foregoing document was served concurrently with the filing of the same by ECF upon all persons who have filed ECF appearances in this case, including (a) counsel or record for the Debtor, (b) the Trustee, (c) the Office of the United States Trustee, and (d) all persons and entities requesting notice under Fed. R. Civ. P. 2002(m). I further certify that a true and correct copy of the foregoing document was served concurrently with filing by first class mail, postage prepaid, on the following:

David A. Carter, P.A.  
One Lincoln Place  
1900 Glades Rd., Suite 401  
Boca Raton, FL 33431

Vince Slusher, Esq.  
DLA Piper LLP (US)  
1717 Main Street, Suite 4600  
Dallas, TX 75201-4629

Rachel Nanes  
DLA Piper LLP (US)  
200 S. Biscayne Blvd., Suite 2500  
Miami, Florida 33131

BILL SCHUETTE, Attorney General  
Julius O. Curling, Assist. Attorney Gen.  
P.O. Box 30754  
Lansing, MI 48909

Jeffrey M. Tillotson  
Elizabeth Y. McElroy  
Lynn Tillotson Pinker & Cox, LLP  
2100 Ross Avenue, Suite 2700  
Dallas, Texas 75201

/s/ Kenneth A. Hill

Kenneth A. Hill

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